GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

STARRED QUESTION NO:325
ANSWERED ON:17.04.2000
HIKE IN PRICES OF LPG AND KEROSENE
SATYAVRAT CHATURVEDI;SHIVAJI MANE

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Government have recently increased the prices of LPG, kerosene and aviation fuel;

(b) if so, the reasons and justification thereof;

(c) the annual profit likely to be made by the Government as a result thereof;

(d) the extent to which the subsidy on LPG and kerosene has been reduced due to increase in their prices;

(e) whether the Government propose to roll back the increase in prices of these products in the interest of poor and middle class families;

(f) if not, the reasons therefor; and (g) the number of times the prices of petroleum products increased during the last three years with details thereof?

Answer

MININSTER OF PETROLEUM AND NATURAL GAS

(SHRI RAM NAIK)
(a) to (g): A statement is laid on the Table of the House.
STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (g) OF LOK SABHA STARRED QUESTION NO.325 FOR 17.4 REGARDING HIKE IN THE PRICES OF LPG AND KEROSENE.
(a) Yes, Sir. Government has increased the ex-storage point price of LPG (Packed Domestic) by Rs.30 per cylinder PDS kerosene by 2.50 per litre and aviation turbine fuel (ATF) by Rs.2.00 per litre with effect from mid-night of 22-23 March, 2000.
(b) The revision in the prices has been effected to contain the growing deficit in the oil pool account due to steep increase in the international prices of crude oil and petroleum products. The increases are in line with the decision taken by the Government in November, 1997 on removal of subsidies on petroleum products in a phased manner.
(c) to (f) The estimated deficit in the oil pool account would come down by about Rs.5,400 crore on an annual basis. Consequent to the recent revision of the selling prices, the subsidy on LPG (Packed Domestic) and PDS kerosene has been reduced by Rs.30 per cylinder and Rs.2.50 per litre, respectively. There is no proposal to roll back the increase in prices.
(g) The details of the revisions in the ex-storage point prices of controlled petroleum products during the last three years are given in Annexure.
ANNEXURE REFERRED TO IN THE STATEMENT REFERRED TO IN REPLY TO PARTS(a) TO (g) OF LOK SABHA STA QUESTION NO.325 FOR 17.4.2000 REGARDING HIKE IN PRICES OF LPG AND KEROSENE
STATEMENT SHOWING EX-STORAGE POINT PRICES OF MAJOR CONTROLLED PETROLEUM PRODUCTS

	MS 87 Rs./Ltr.	HSD	SKO (DOM.) Rs./Ltr.	ATF	LPG(P-DOM) Rs./Kg.	(DOM.) Rs./Cyl.	Rs./Ltr.
AS ON:							
1/1/97	16.06	6.57	2.00	6.90		98.01	10.84
REVISED ON:							
2.9.97	17.06	8.37		7.96		113.01	
711.97		7.92					
25.12.97		8.00					

1.3.98 7.84

4.4.98 7.65

3.6.98 15.80
20.5.98 7.54

9.1.99 6.72

1.299 8.94 127.01
28.2.99 15.40 6.62 8.73 124.01 10.76
20.4.99 6.88
6.10.99 9.63
23.3.2000 15.40 9.63 4.50 10.85 154.01 12.76

NOTE: EX-STORAGE POINT PRICES ARE EXCLUSIVE OF DUTY, FREIGHT, LOCAL, LEVIES ETC.

MS-Motor Spirit LPG(P)(DOM)-Liquefied Petroleum Gas
(Packed-Domestic)
HSD-High Speed Diesel ATF(DOM)-Aviation Turbine Fuel(Domestic)
SKO(DOM)-Superior Kerosen
Oil (Domestic)